



STATE OF TENNESSEE
TENNESSEE STUDENT ASSISTANCE CORPORATION

SUITE 1950, PARKWAY TOWERS
404 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243-0820
(615)741-3000 • 1-866-291-2675 • FAX (615)741-6101
www.CollegePaysTN.com

MEMORANDUM

TO: State Funding Board

FROM: David Wright *David L. Wright*
Tennessee Higher Education Commission

Tim Phelps *T. Phelps*
Tennessee Student Assistance Corporation

SUBJECT: Tennessee Education Lottery Scholarship Program Projections

DATE: December 3, 2008

The Tennessee Student Assistance Corporation (TSAC) and the Tennessee Higher Education Commission (THEC) have collaborated to provide the following information regarding lottery-related financial assistance. The purpose is to give an overview of actual awards from the previous academic year and the projected expenditures for the 2008-09 academic year.

Pursuant to Tennessee Code 4-51-111(c)(2)(a), this memorandum provides an overview of the estimated total cost of lottery-related student financial assistance. In order to provide context for the projections, an overview of expenditures for the current and prior academic year is provided.

2007-08 Actual

Number of awards – 76,300
Total cost – \$225,800,000

2008-09 Estimated

Number of awards – 88,000
Total Cost - \$266,000,000

2009-10 Estimated

Number of awards – 91,000
Total Cost - \$274,000,000

The figures provided include changes made during the last legislative session of the Tennessee General Assembly. The changes made have an estimated fiscal impact of approximately \$28 million for an estimated 10,200 students. Some of the changes included lowering the cumulative GPA requirement at the 48 hour benchmark, incorporating a "provisional" method for continuing students to qualify for the award, expanding eligibility for nontraditional students, creation of two new programs and eliminating the 120 credit hour limitation.

The figures incorporate data for all lottery-funded programs, including the HOPE Scholarship, General Assembly Merit Scholarship, ASPIRE Award, HOPE Access Grant, Wilder-Naifeh Technical Skills Grant, Foster Child Tuition Grant, Dual Enrollment Grant, Math & Science Teacher Loan Forgiveness Program, the Helping Heroes Grant, and the Rural Health Loan Forgiveness Program.

If you have any questions or require additional information, please contact either of the writers. Thank you.

cc: Riley Darnell, Secretary of State
John Morgan, Comptroller of the Treasury
Dale Sims, Treasurer
M. David Goetz, Commissioner, Finance & Administration